

GOVERNOR'S OFFICE FOR LOCAL DEVELOPMENT

Proposed Projects Involving the State General Fund (cash or bonds)*

Priority	<u>Cabinet</u>	<u>Agency</u>	<u>Project Title / Description</u>	<u>Total Budget</u>
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2006-2008

- 1

KIA Fund F - Drinking Water Revolving Loan Program

The Fund F (Federally Assisted Drinking Water Revolving Loan Fund Program) finances local drinking water facilities that qualify under U.S. Environmental Protection Agency requirements. Funds are provided by the United States Environmental Protection Agency through capitalization grants of 83.33 percent of the total project. The state matches these funds with 16.67 percent match of the total project through issuance of General Fund-supported debt. Four percent of the capitalization grants are reserved for the program's administrative costs. The federal funds for this program are appropriated in the operating budget to comply with the Federal Cash Management Act.

**Total budget includes Federal Funds of \$20,000,000; Agency Bonds of \$22,000,000.*

\$46,000,000*
- 2

KIA Fund A - Federally Assisted Wastewater Program

The Fund A (Federally Assisted Wastewater Revolving Fund Program) finances local wastewater treatment and collection facilities that qualify under U.S. Environmental Protection Agency requirements. Funds are provided by the United States Environmental Protection Agency through capitalization grants of 83.33 percent of the total project. The state matches these funds with a 16.67 percent match of the total project through issuance of General Fund-supported debt. Four percent of the capitalization grants are reserved for the program's administrative costs. The federal funds for this program are appropriated in the operating budget to comply with the Federal Cash Management Act.

**Total budget includes Federal Funds of \$20,000,000; Agency Bonds of \$97,000,000.*

\$121,000,000*
- 3

Community Economic Growth Grant Program

Program created to assist counties, cities, special districts, or local school districts with funding of projects that will enhance the economic development of their community.

\$20,000,000
- 4

Flood Control Matching Fund

The local matching fund has an established history of helping local governments and residents with their devastating flood losses. The federal government, through various agencies such as the Corps of Engineers (Corps), the Federal Emergency Management Agency (FEMA) and the Natural Resources Conservation Service (NRCS), provides flood damage reduction projects. These federal agencies require local governments to provide monetary match to the federal funding for both design and construction. This fund was established by the General Assembly to assist them in meeting the match requirements.

\$4,000,000
- 5

KIA Broadband Development

To enhance economic development opportunities, states have been challenged by the President to ensure the availability of Broadband coverage all over the country by 2007. Governor Fletcher has taken up the challenge and in order to help attain this goal, KIA requests funds to help ensure completion by December 2007.

\$15,000,000

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6 Renaissance on Main \$12,000,000

Renaissance Kentucky (the Renaissance on Main predecessor) was launched in 1997 to explore downtown revitalization in the Commonwealth. This is not an urban renewal project, it is a state initiative to restore and renew our cities to the vibrant and sustainable communities they once were. Almost all of Kentucky's smaller cities

(populations of 15,000 or less) have suffered the fate of many cities across the country following World War II: declining downtowns, urban flight and sprawl development. These funds help to leverage federal and other program funds to assist our communities with revitalization. Many communities do not have the funds necessary to do the work needed to make them more attractive to business and patrons. These funds will help do that.

7 KIA - Fund B Infrastructure Revolving Fund \$50,000,000

Each general assembly for the past three biennium have included funding of a program to ensure that every household in Kentucky has access to a quality source of potable water safe for human consumption by the year 2020. This project will provide a source of funding to further attain that goal. The money will be used to provide grants and/or low interest loans to communities so that they can finance the necessary infrastructure to provide potable water to those Kentuckians who are without it. Incident to the mission of providing water, the treatment of wastewater must be addressed. While the focus is on water and wastewater, other types of infrastructure projects can be financed by this fund as well.

2008-2010

Community Economic Growth Grant Program \$20,000,000

Program created to assist counties, cities, special districts, or local school districts with funding of projects that will enhance the economic development of their community.

Flood Control Matching Fund \$4,000,000

The local matching fund has an established history of helping local governments and residents with their devastating flood losses. The federal government, through various agencies such as the Corps of Engineers (Corps), the Federal Emergency Management Agency (FEMA) and the Natural Resources Conservation Service (NRCS) provide flood damage reduction projects. These federal agencies require local governments to provide monetary match to the federal funding for both design and construction. This fund was established by the General Assembly to assist them in meeting the match requirements. This is an on-going grant program. Projects often last for several years. If federal agencies fund all of the projects being considered, there will be a great need for these funds. This funding will enable the department to continue making commitments to communities that are unable to meet the required match for the federal funds.

KIA - Fund B Infrastructure Revolving Fund \$50,000,000

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focus is on water and wastewater, other types of infrastructure projects can be financed by this fund as well.

KIA Fund A - Federally Assisted Wastewater Program **\$24,000,000***

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Environmental Protection Agency through capitalization grants of 83.33 percent of the total project. The state matches these funds with a 16.67 percent match of the total project through issuance of General Fund-supported debt. Four percent of the capitalization grants are reserved for the program's administrative costs.

**Total budget includes Federal Funds of \$20,000,000.*

KIA Fund F - Drinking Water Revolving Loan Program **\$24,000,000***

The Fund F (Federally Assisted Drinking Water Revolving Loan Fund Program) finances local drinking water facilities that qualify under U.S. Environmental Protection Agency requirements. Funds are provided by the United States Environmental Protection Agency through capitalization grants of 83.33 percent of the total project. The state matches these funds with 16.67 percent match of the total project through issuance of General Fund-supported debt. Four percent of the capitalization grants are reserved for the program's administrative costs.

**Total budget includes Federal Funds of \$20,000,000.*

Renaissance on Main **\$12,000,000**

Renaissance Kentucky (the Renaissance on Main predecessor) was launched in 1997 to restore and renew our cities into sustainable communities. Every year since the program was initially funded, the number of cities involved has grown rapidly. That growth in participants will only continue to increase. Renaissance Kentucky projects either rehabilitate vacant historic building or in-fill new construction in the downtown area with a public purpose of 20 years or more. These projects provide space for businesses to locate or expand, sparking construction and generating taxable revenue for the community.

2010-2012

Community Economic Growth Grant Program **\$20,000,000**

Program created to assist counties, cities, special districts, or local school districts with funding of projects that will enhance the economic development of their community.

Flood Control Matching Fund **\$4,000,000**

The local matching fund has an established history of helping local governments and residents with their devastating flood losses. The federal government, through various agencies such as the Corps of Engineers (Corps), the Federal Emergency Management Agency (FEMA) and the Natural Resources Conservation Service (NRCS), provides flood damage reduction projects. These federal agencies require local governments to provide a monetary match to the federal funding for both design and construction. This fund was established by the General Assembly to assist them in meeting the match requirements.

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		KIA - Fund B Infrastructure Revolving Fund Each general assembly for the past three biennium have included funding of a program to ensure that every household in Kentucky has access to a quality source of potable water safe for human consumption by the year 2020. This project will provide a source of funding to further attain that goal. The money will be used to provide grants and/or low interest loans to communities so that they can finance the necessary infrastructure to provide potable water to those Kentuckians who are without it. Incident to the mission of providing water, the treatment of wastewater must be addressed. While the focus is on water and wastewater, other types of infrastructure projects can be financed by this fund as well.	\$50,000,000
		KIA Fund A - Federally Assisted Wastewater Program The Fund A (Federally Assisted Wastewater Revolving Fund Program) finances local wastewater treatment and collection facilities that qualify under U.S. Environmental Protection Agency requirements. Funds are provided by the United States Environmental Protection Agency through capitalization grants of 83.33 percent of the total project. The state matches these funds with a 16.67 percent match of the total project through issuance of General Fund-supported debt. Four percent of the capitalization grants are reserved for the program's administrative costs. <i>*Total budget includes Federal Funds of \$20,000,000.</i>	\$24,000,000*
		KIA Fund F - Drinking Water Revolving Loan Program The Fund F (Federally Assisted Drinking Water Revolving Loan Fund Program) finances local drinking water facilities that qualify under U.S. Environmental Protection Agency requirements. Funds are provided by the United States Environmental Protection Agency through capitalization grants of 83.33 percent of the total project. The state matches these funds with 16.67 percent match of the total project through issuance of General Fund-supported debt. Four percent of the capitalization grants are reserved for the program's administrative costs. <i>*Total budget includes Federal Funds of \$20,000,000.</i>	\$24,000,000*
		Renaissance on Main Renaissance Kentucky (the Renaissance on Main predecessor) was launched in 1997. By the year 2008, this program will be ten years old and have many completed projects worthy of praise. This program is administered by the Kentucky Housing Corporation, with the direction coming from an alliance of several partnering agencies. These bond funds help to leverage the other sources of funds needed in this program. Projects help to restore our communities and downtowns with facade improvements, infrastructure, historic preservation and many other avenues for restoration. Our cities used to be the heart of our communities and Renaissance Kentucky is helping Kentuckians rediscover their communities.	\$12,000,000

***Notes**

- Unless otherwise indicated, the total budget would be financed from the state General Fund (cash or bonds).
- Priority rankings were required to be assigned only to those projects proposed for 2006-08; projects for 2008-10 and 2010-12 are listed in alphabetical order.
- Descriptions are as provided in the "Brief Description and Justification" field of the agency's capital plan submission.

